

**FOR IMMEDIATE RELEASE****Statement of Chairman Bennie G. Thompson****FEMA's Gulf Coast Rebuilding Efforts: The Path Forward**

March 3, 2009 (Washington) – Today, Committee on Homeland Security Chairman Bennie G. Thompson (D-MS) delivered the following prepared remarks for the Emergency Communication, Preparedness, and Response Subcommittee hearing entitled “FEMA's Gulf Coast Rebuilding Efforts: The Path Forward”:

“We are all aware of the destruction caused by Hurricanes Katrina and Rita in 2005 and Gustav and Ike in 2008.

What we need to understand though, is how to move ahead with the recovery process.

As you know, I have been very vocal about my displeasure with the pace at which the Gulf States are drawing down and spending disaster relief funds provided by FEMA and other Federal agencies.

In particular, I am bothered by the lethargic pace that FEMA, Mississippi and Louisiana are spending the Public Assistance grant funds from Katrina and Rita.

These funds, which are intended to restore critical infrastructure in the region, are vital to a full recovery.

We can not afford to fail in effectively leveraging these funds.

Mississippi has been awarded \$2.9 billion by FEMA, but about \$1.3 billion of these funds still have not been spent.

Louisiana was awarded \$7.5 billion, but the state has yet to disperse \$3.4 billion.

We are three and a half years removed from the 2005 hurricanes and we still have nearly \$5 billion dollars sitting there waiting to be used.

Meanwhile, as of February 1st, Texas has spent roughly 85% of the funds FEMA has obligated to them as a result of the 2005 and 2008 hurricanes.

I am concerned that the Governors of Mississippi and Louisiana are going to develop a reputation for being poor stewards of taxpayer money.

Let me be clear, though. I don't think it's entirely a problem with the States. FEMA's inflexible funding structure and the lack of quick resolution during disputes is also delaying the speed of recovery.

I hope we can get everyone here today to agree on what the problems are, and hopefully start a conversation that will help streamline these funds to get them to the people who need them.

At a Full Committee hearing last week, Homeland Security Secretary Napolitano agreed that post-disaster funds need to be streamlined.

However, I was concerned to find out that Mr. Garratt was testifying at the same time before another committee that the public assistance appeals process is meant to be a thoughtful deliberative process—not a quick resolution.

I understand Mr. Garratt's position of protecting taxpayers from fraud, waste, and abuse, but I am

convinced we can improve accountability of the funds and streamline the bureaucratic red tape.

It is important that FEMA and the States work together to find a quick and effective way to distribute these funds, unfortunately most of the stories we are hearing are about disagreements between FEMA and the States.

For example, after Katrina, New Orleans claimed that the majority of damage to the city's sewer system was from the storm, but FEMA claimed that most of the damage was due to poor maintenance.

Because of this dispute, FEMA did not even begin an in-depth damage assessment of the sewer system until July 2007—nearly two years after the storm.

This is an example of the “us versus them” mentality that has greatly hampered the recovery effort in the Gulf.

I am hoping today that we can find common ground. That we can put the “us versus them” mentality behind us and find a way for all parties to work together towards the common goal of a complete recovery in the Gulf.

To accomplish this goal, we must identify and learn from our past mistakes.”

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